



U.S. General Services Administration

A photograph of a large, multi-story, classical-style building with a flagpole on the roof. The building is surrounded by green trees and a blue sky with white clouds. The text is overlaid on the bottom left of the image.

PBS Customer Forum

Navigating the New Workplace

Leasing Highlights

June 22, 2021 11:00 a.m. - 12:30 p.m. EDT

Agenda

- Move Cost Program | Anna G. Cafoncelli
- GLS Plus | Bridget N. Rhodes, Rebekah R. Cowles
- SLAT Model | Charlie Johnson
- The Future of GSA Leasing | David A. Laing

Presenters



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Move Cost Program - Lessor Funded Option

A Creative Funding Solution to address agencies upfront funding shortfalls

Our Goal is to provide flexible solutions that will enable you to feel comfortable to move forward with the decision to optimize your footprint:

- *reducing your leased space*
- *consolidating multiple locations*
- *creating a more efficient layout that compliments your mission*

The Move Cost Program is a tool to bridge the upfront funding gap to get your projects across the finish line.

Move Cost Program - How it Works

The Move Cost Program funding strategy allows **Lessor Funded** cash allowances to be applied towards move related expenses, furniture, and T.I buydown. (Costs that are typically funded via RWA).

The Lessor Funded Option can be used in two different scenarios:

- **Cash Incentive:** Lessor unilaterally offers an unsolicited cash incentive as part of their lease proposal. In order to use this option, the agency's CFO must certify a financial need to utilize the cash incentive towards move costs or personal property.
- **Enhanced Allowance:** A specific required TI amount is requested in an RLP that is intended for funding Government TI and move-related expenses. **(Most likely scenario)**

Move Cost Program - the Value Add

- Using the Move Cost Program may assist your agency to potentially free up funds (for other lease projects) that would have been allocated entirely to one specific project with a large RWA.
- Prevents the need for costly lease extensions:
 - saves added costs associated (typically a 20% premium)
 - saves GSA manpower (enables the project team to focus on your long term solution)
- May encourage the incumbent (current Lessor) to be more competitive with their offer to retain you as a tenant, thus saving you more money long term.
- Can be bought down at a later date when the agency has additional funding.
 - no penalty for paying the additional TIs ahead of schedule.
- **Most importantly, your agency is able to plan more effectively and confidently knowing that this funding solution exists and can possibly assist in defraying upfront funding costs in the upcoming years.**

Move Cost Program - Ideal Candidates

1. A project that has a compelling business case: either by the reduction of RSF or significant space efficiency gains.
2. Your agency can certify insufficient timely funding for specific project execution.
3. The subject leasing market contains Landlords willing and able to provide cash incentives or an enhanced TI allowance in their lease proposals.
4. Your agency has a solid cost estimate for their Move and Replication Costs (inclusive of furniture, personal property etc.)
5. The resulting rental rate does not exceed the high end of the market or Prospectus Rate Caps.

Enhanced Allowance in Leased Space

- ✓ Current RSF - 183k (\$4.3M/year)
- ✓ New Lease RSF - 77k (\$1.8M/year)
- ✓ 58% lease space reduction

Total Project Costs: **\$7.8M (\$122/USF)**

TI typically funded by KC mkt: **\$31/USF**

Additional Funding required from Lessor: **\$91/USF**

Lessor Funded TI projected impact to rental rate: **\$5.50/RSF**

- Despite adding \$5.50/RSF to the rental rate, this project will still generate savings of **\$2.2M annually** due to the reduction of space.

Projected 20 year Cost Savings: \$43.9M

Agency X

Kansas City, MO



Move Cost Program Q&A



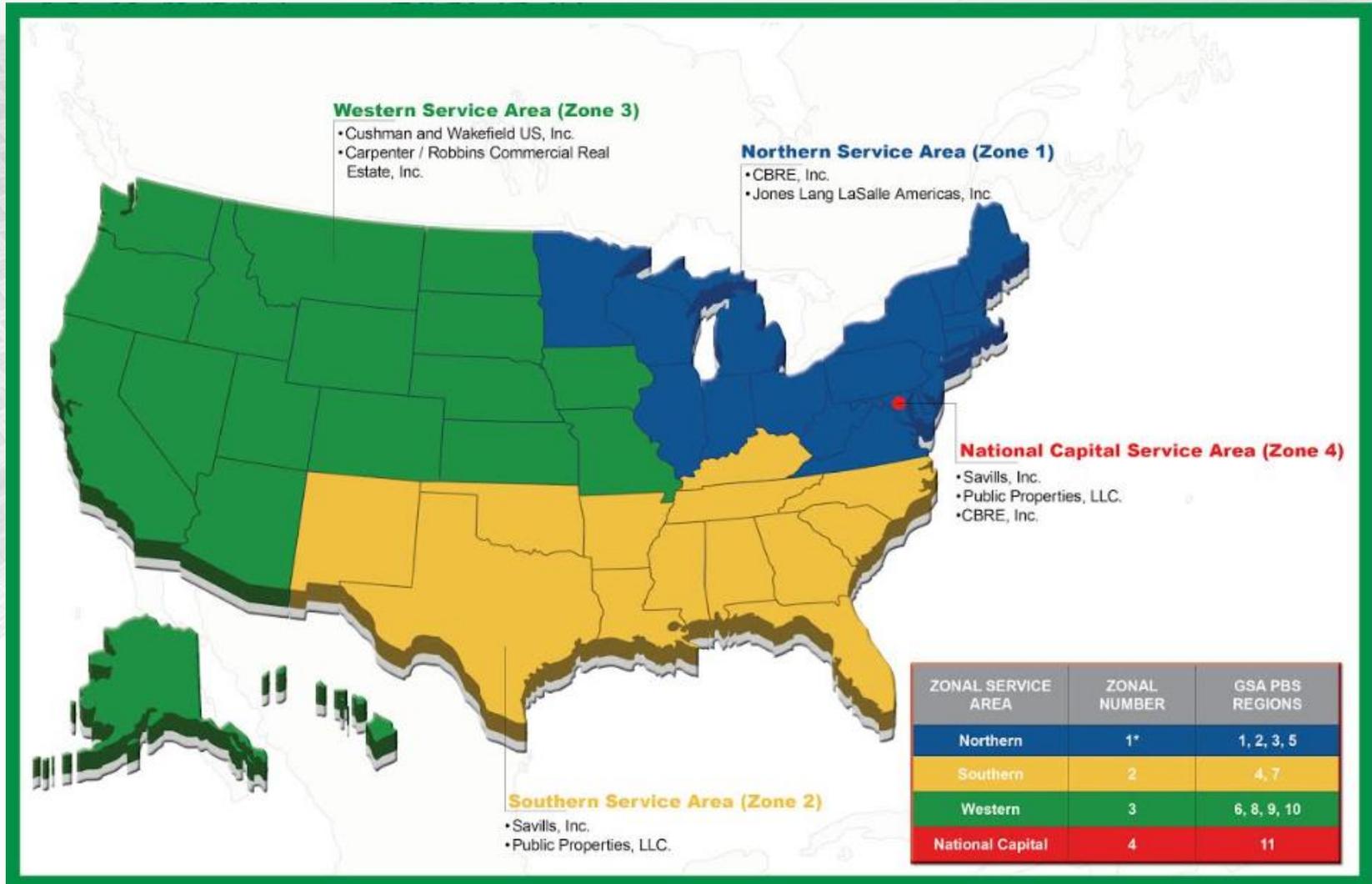
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GSA Leasing Support Services *Plus*



- **What's In It For Me (WIIFM)?**
 - **Enhanced Services**
 - Requirements Development
 - Post Award
 - **Market Survey 360°**
 - **Portfolios of Work**

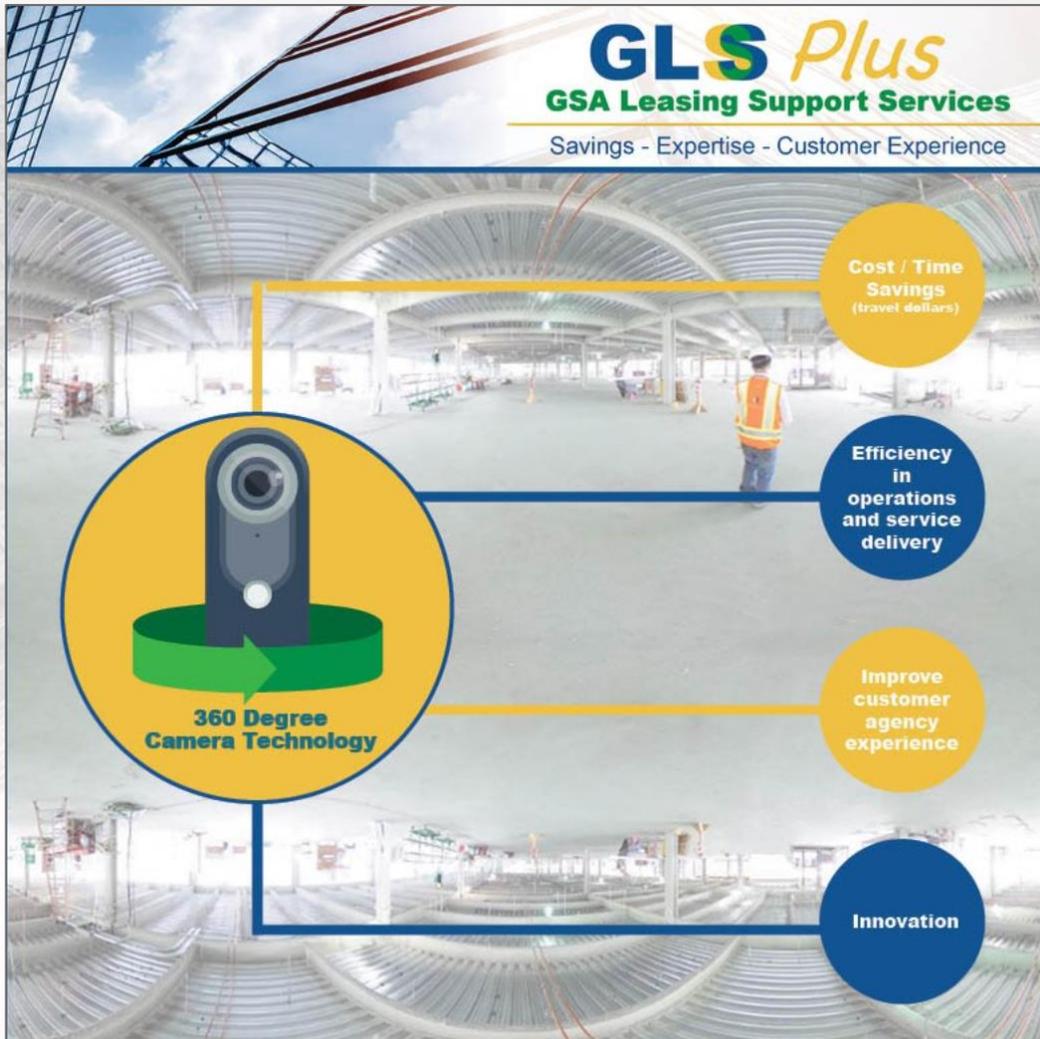
Broker Services - GLS Plus



Enhanced Services

					
MODULE TYPE	MODULE DESCRIPTION / TARGET PROJECT TYPES	REQUIREMENTS DEVELOPMENT	LEASE ACQUISITION	POST AWARD SERVICES	EXTENSION
1	DELUXE ACQUISITION SERVICES Requirements Development, Lease Acquisition, Post Award Services				
2	PROGRAMMING & ACQUISITION SERVICES Requirements Development & Lease Acquisition				
3	OCCUPANCY SERVICES Lease Acquisition & Post Award Services				
4	LEASE ACQUISITION Lease Acquisition				
5	LIMITED VALUE LEASES *TBD at Task Order Award				
6	PLANNING SERVICES Lease Extensions	With an associated Task 1-5 or NPM Approval			

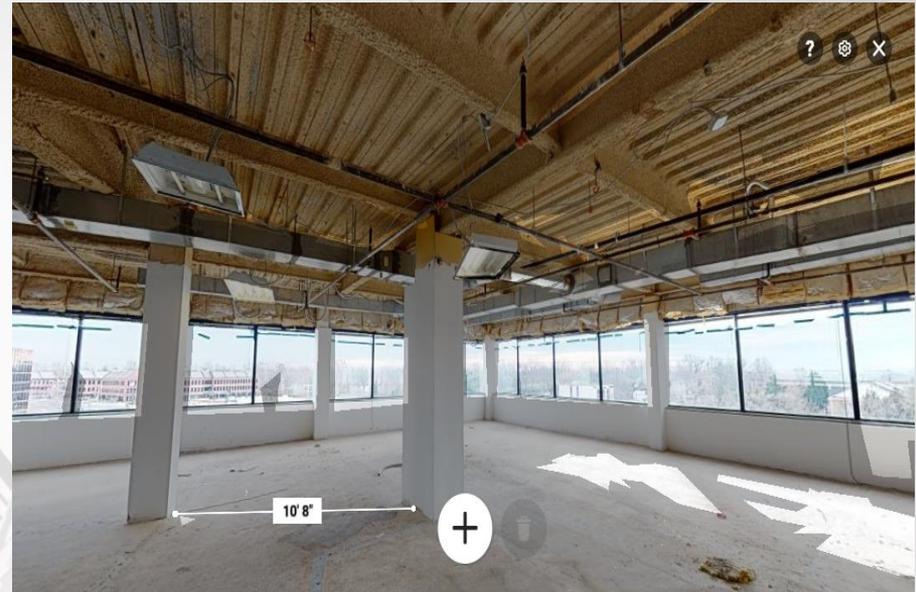
Market Survey 360°



- Reduces personnel required to attend
- Improves customer experience
- Low-cost Innovation of an existing process.
- Enhanced market survey with prospective properties being captured via the camera

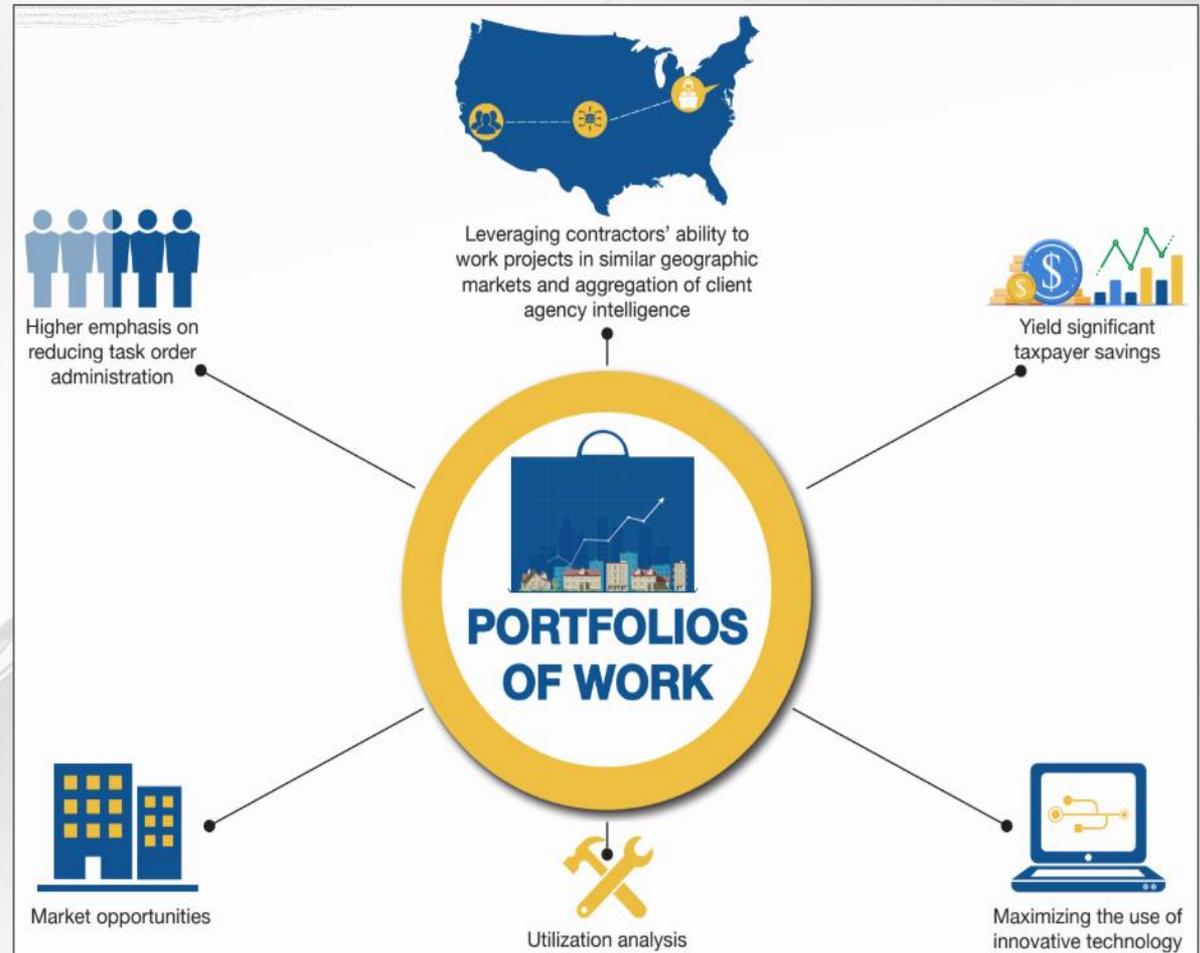
Market Survey 360° in ACTION

IRS - Northern Virginia



Portfolios of Work

- Multiple projects awarded under ONE task order
- Can contain a variety of conditions
- Increases workload capacity
- Reduces lead time



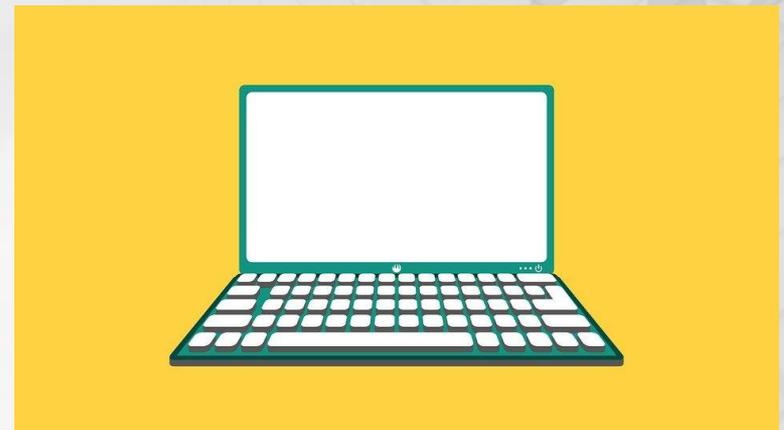
Broker Services - GLS *Plus* Q&A



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SLAT Model Overview

Simplified Lease Acquisition Threshold (SLAT)

- Leases with a net average annual rent of \$250,000 or less (avg. annual rent minus operating expenses) eligible
 - Approximately 60% of our lease portfolio falls within this threshold
- This model is designed to streamline smaller acquisitions to free up valuable resources for larger acquisitions
- Utilizes our technology and tools to create an entirely online and paperless bidding experience
 - RLP is released online
 - Bids are submitted online
 - Leases are executed using digital signatures
- Faster alternative to the Global Model for smaller acquisitions and works with projects which may not be suitable for AAAP

SLAT Model Process Flow



Requirements Finalized
/ RLP Package Created

GSA and the customer work together to define and finalize the agency's space requirements and insert those requirements into the RLP package

Posting on SAM.gov

The RLP package is posted online to notify the market of the opportunity and interested offerors download the RLP

Step 1: Negotiation

GSA receives offers online through our Lease Offer Platform (LOP). Offers are reviewed and the LCO negotiates to improve offers received

Step 2: Due Diligence

The lowest responsive offer is selected to undergo a full due diligence review, this focuses our attention on the most likely winner

Building Tour

Once the building passes our due diligence review, the govt. team physically tours the building to make a final determination of the building's ability to meet the requirement

Contract Award

SLAT Model Highlights

GSA

- Reduces the resource requirement to service small space requests
- Focuses due diligence efforts on most likely winner

Customers

- Reduces the resource requirement to acquire small spaces
- Reduces the time spent visiting and reviewing buildings who later don't submit bids or who are not in a position to win the contract

Private Sector

- Reduces the time and investment to bid on small lease opportunities
- Only the most likely winner spends time/money to complete due diligence

SLAT Model Q&A



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The Future of GSA Leasing

Online Leasing Tools

- GSA's Lease Offer Platform (LOP)
- Benefits of Online Leasing Tools
- Ensuring a Smooth Experience

The Future of GSA Leasing - LOP

GSA's Lease Offer Platform (LOP)

- Automated Advanced Acquisition Platform (AAAP)
 - Multiple award platform; building tour instead of market survey; no negotiations.
 - Office space; new or continuing need; full & open; 3 lease terms.
- Requirement Specific Acquisition Platform (RSAP)
 - Single award platform; negotiations permitted.
 - In house or broker projects; Global or SLAT model; LPTA or BVTO.

AAAP Project
Veterans Benefits Administration, Portland, OR
65,281 ABOA Square Feet



GSA's Lease Offer Platform

The **Lease Offer Platform (LOP)** provides the opportunity for building owners and building owner representatives to electronically offer building space to the Federal Government. The offer submission process is completely web-enabled, allowing all registered participants to submit and update offers for lease space to the Federal Government within specified timeframes, in response to a Request for Lease Proposal (RLP) package. The **Lease Offer Platform** consists of the:

[Automated Advanced Acquisition Platform \(AAAP\)](#)

CLICK HERE to login, learn more, and enter an offer for AAAP if:

- You are responding to an ad that specifies the AAAP as the procurement method

OR

- You want your offered space available for any current or future government requirements tasked to the AAAP

[Requirement Specific Acquisition Platform \(RSAP\)](#)

CLICK HERE to login, learn more, and enter an offer for RSAP if:

- You are submitting an offer in response to a unique Request for Lease Proposals (RLP), issued for a specific agency requirement (not AAAP)

AND

- The RLP requires offers to be submitted through the RSAP application

Who Are We?

The GSA is an independent agency of the United States government, established in 1949 to help manage and support the basic functioning of federal agencies, to include leasing space for federal agencies, so that government employees have space to perform their work. Today's GSA lease portfolio consists of more than 8,000 leases, consisting of about 192 million RSF with a total contract value exceeding 5.6 billion dollars in annual rent.

Helpful resources are available by clicking the "Help" link at the top of each page. For technical assistance, email LOP.help@gsa.gov or call 1-866-450-6588 and select option 7. For answers to program or policy questions, email LOP.manager@gsa.gov.

GSA's Lease Offer Platform at lop.gsa.gov

The Future of GSA Leasing – LOP Benefits

Benefits of Online Leasing Tools

- Eliminate paper-based submissions by utilizing streamlined online workflows — reducing costs and administrative burdens.
- Automate the lease procurement process by populating standard forms and generating PVAs — resulting in fewer errors and omissions.
- Optimize the lease procurement process by allowing offerors to submit online — facilitating improved interactions with GSA.
- Accelerate lease cycle time by sending documents to GSA immediately upon offer submission — saving time and energy.

AAAP Project
IRS, San Bernardino, CA
45,159 ABOA Square Feet



The Future of GSA Leasing – LOP Experience

Ensuring a Smooth Experience

- Understand which tool GSA is utilizing to fulfil your requirements.
- Provide thorough requirements and go/no-go criteria.
- Prepare for potential relocations in full and open procurements.

The Future of GSA Leasing Q&A



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A screenshot of a presentation slide titled "GSA's Lease Offer Platform (LOP)". The slide compares two programs: AAAP (Automated Advanced Acquisition Program) and RSAP (Requirement Specific Acquisition Platform).

AAAP
Automated Advanced Acquisition Program

- Offerors respond to generic office space requirements
- Multiple award lease procurement tool
- Offerors submit best and final proposals
- Allows for lease terms of:
 - 10 years, 8 years firm;
 - 15 years, 13 years firm; and
 - 10 years, 15 years firm

RSAP
Requirement Specific Acquisition Platform

- Offerors respond to a specific space requirement
- Single award lease procurement tool
- Allows for negotiation and multiple iterations of offers
- Allows for any lease term

Watch on YouTube

[LOP Industry Day Recording](#)

